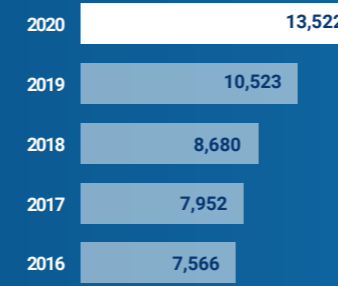


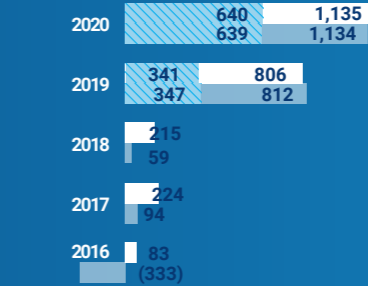
# Retail

In 2020, Sabancı Retail Group companies Carrefoursa and Teknosa managed to increase their online sales volume 4 times through their digital platforms.

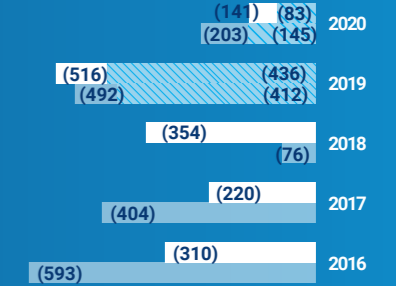
## Combined Net Sales (TL Million)



## Combined EBITDA (TL Million)



## Combined Net Income (TL Million)



■ EBITDA ■ Excluding IFRS16

■ EBITDA(\*)

(\*) Excluding one-off income/expenses.

■ NET INCOME ■ Excluding IFRS16

■ NET INCOME(\*)

(\*) Excluding one-off income/expenses.

## DEVELOPMENTS IN 2020



### Significant steps in online shopping

Receiving a great demand from its online channel due to the COVID-19 pandemic, the share of e-commerce revenue in the total turnover of Carrefoursa increased more than two times.

### Lezzet Arası

Providing gastronomic freedom to its customers in market prices with a total of 13 Lezzet Arası restaurants, Carrefoursa launched a delivery service, taking into account the measures of the pandemic.

### New franchising system

In order to include the esteemed entrepreneurs in its market chain, Carrefoursa has taken an important step this year and initiated a franchising system including Super and Mini market formats.

## DEVELOPMENTS IN 2020



### Seamless customer experience

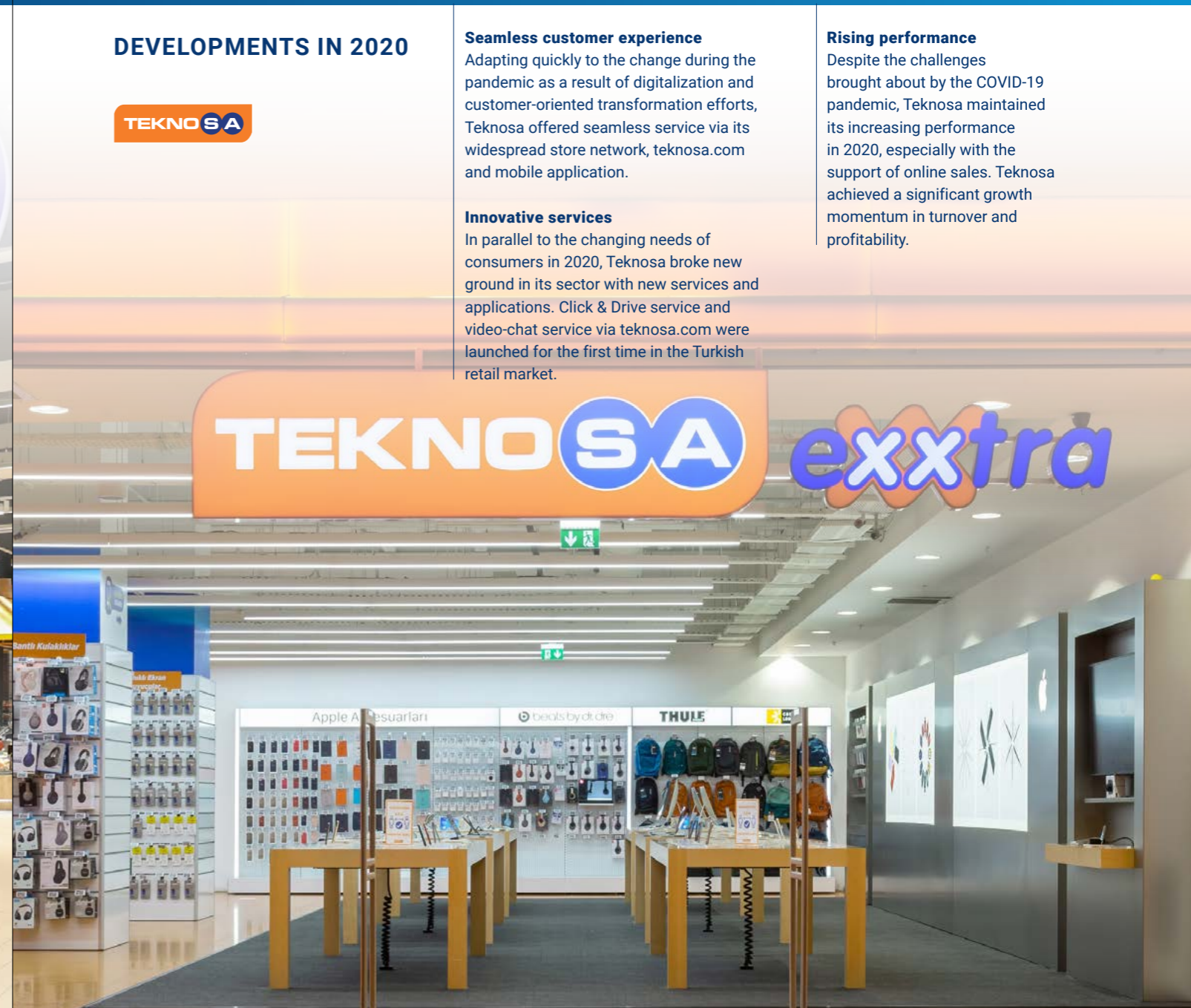
Adapting quickly to the change during the pandemic as a result of digitalization and customer-oriented transformation efforts, Teknosa offered seamless service via its widespread store network, teknosa.com and mobile application.

### Innovative services

In parallel to the changing needs of consumers in 2020, Teknosa broke new ground in its sector with new services and applications. Click & Drive service and video-chat service via teknosa.com were launched for the first time in the Turkish retail market.

### Rising performance

Despite the challenges brought about by the COVID-19 pandemic, Teknosa maintained its increasing performance in 2020, especially with the support of online sales. Teknosa achieved a significant growth momentum in turnover and profitability.



## Retail

As of the end of 2020, Sabancı Retail Group companies serve consumers through 699 food markets and 211 technology stores in 70 cities.

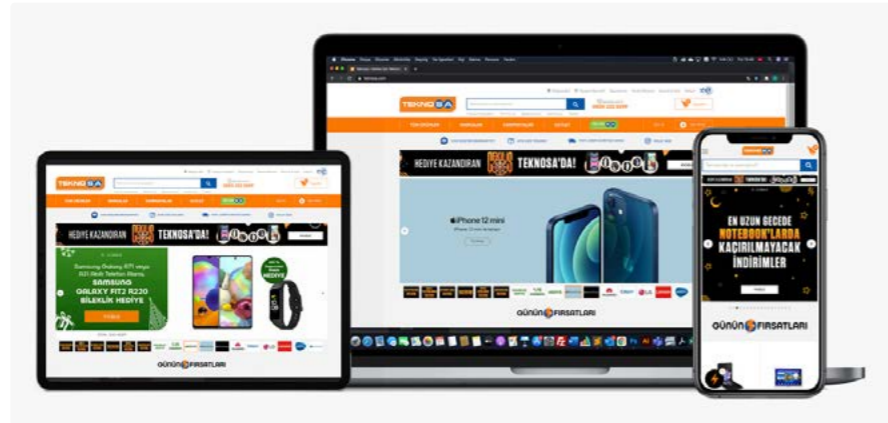
**Retail Transformation Program**

Thanks to holistic transformation programs executed by Sabancı Holding retail companies - including New Generation Market of Carrefoursa and Teknosa of the New Generation – successful operational results were achieved in 2020.

Carrefoursa improved both its product range and service approach in line with the data obtained through CRM activities and enriched customer experience measurement data.

Teknosa prioritized CRM and data analytics efforts to redesign the systematic processes to be customer-oriented and lean, and to provide customers with the best experience. In line with these efforts, Teknosa improved its customer satisfaction and operational efficiency.

Global pandemic adversely affected economies, sectors and the retail sector all over the world. Besides, the food retail industry, in which Carrefoursa operates, worked uninterruptedly to meet the basic needs of consumers and continued its strong growth. With the transformation in education, economy and social life, and the acceleration of digitalization, technology needs became indispensable in this process. The increasing demand of consumers affected the sector where Teknosa operates positively.



The organized food retail market grew 27.3% compared to the previous year and reached a volume of TL 174 billion. The technology products market reached a volume of TL 89 billion with an increase of 37.8%.

**Priorities in 2020**

Both companies attached importance to the health of their employees, customers and society and implemented health and safety measures at the highest level since the outbreak of the pandemic. Teknosa and Carrefoursa put all guidelines of the Ministry of Health and the Ministry of Interior into practice to the fullest extent by constantly disinfecting its stores, distributing masks and health kits to its employees and offering services in compliance with social distancing measures.

Ensuring that everyone reaches their vital needs such as food and hygiene products, Carrefoursa continued its services through its stores and online channels without interruption. Teknosa became the first technology retailer that closed its stores in accordance with health measures. Between March 22 and June 1 when Teknosa stores were closed and in times when measures were taken, Teknosa continued its seamless services via teknosa.com and mobile application.

In line with the Sabancı of New Generation vision, Carrefoursa continued its transformation efforts in 2020. As a result of investments made in digitalization for a long time, Carrefoursa's online market can be accessed on the web and on mobile devices. Reaching 6 million visitors today, the online market mobile app was

**2020 AT A GLANCE**

- 1 Market share**  
4.52%  
(Modern Trade FMCG market share)
- 2 Number of Stores**  
699 (52 provinces)
- 3 Sales area**  
525 thousand m<sup>2</sup>
- 4 Turnover per square meter**  
TL 15.5 thousand 21.1%
- 5 Number of customers**  
138 million

**FOOD RETAILING****2020 AT A GLANCE**

- 1 Market share**  
7%  
(Technology products panelmarket)
- 2 Number of Stores**  
211 (68 cities)
- 3 Sales area**  
97 thousand m<sup>2</sup>
- 4 Turnover per square meter**  
TL 42 thousand 23%
- 5 Number of visitors**  
175 million

**TECHNOLOGY RETAILING**

downloaded for more than 150 thousand times. The number of monthly orders placed via the app reached 200 thousand. In this context, new services such as "Priority Delivery," "Hotline Order" and "Pick-Up in Store" were made available to the customers.

Carrefoursa examines customer purchasing habits by analyzing data obtained through Carrefoursa membership cards and offers its customers convenient campaigns in line with their expectations.

In Teknosa, new processes have been introduced to analyze the data with artificial intelligence algorithms and to optimize the customer experience. As of the end of 2020, there are 17.5 million individual customer data at Teknosa. In order to offer consumers the right product mix at the right locations, acquire new customers, increase the productivity of stores, making dynamic pricing, stock and expense optimization, reaching turnover and profitability targets; data-based analyzes were developed and operational efficiency has been increased.

Within the scope of rising online shopping trends, Teknosa developed web-chat, WhatsApp and telesales applications to provide one-on-one service to customers. Launching the first video-chat application in the Turkish organized retail market,



Teknosa provides store experience in the virtual platform. Additionally, Teknosa made a difference in the sector with same-day and next-day delivery services in over 40 provinces.

Dedicated to supporting domestic producers, Carrefoursa procures the right product from the right producer and offers these products with the right pricing policy in line with its new communication strategy "Doğrusu Carrefoursa'da" (Right Choice at Carrefoursa).

In order to include esteemed entrepreneurs of Turkey to its market chain, Carrefoursa initiated a franchising system. Within the scope of the system, franchises of Mini and Super formats were granted and it is aimed to reach a total of 100 franchises by 2021.

Aiming to offer the freshest vegetables and fruits from the field at the most affordable prices, Carrefoursa collaborated with the Ministry of Agriculture and Forestry, General Directorate of Agricultural Enterprises (TİGEM) and General Directorate of Agricultural Research and Policies (TAGEM) in 2020. Carrefoursa supports producers with Turkish seeds and ensures that the safest products are brought to the stores by inspecting the production process. Offering veterinary inspected 100% domestic red meat to its customers, Carrefoursa increased its red meat sales by 26% in 2020. Supporting sustainable fishery, Carrefoursa cooperates with farms, where every process is controlled. Carrefoursa offers different fish species in its stores during the fishing season with the Aquaculture Platform it has established in Gebze.

## Retail

## Sabancı Retail Group companies are providing seamless services with differentiated formats and multiple channels positioned in line with the needs of the customers.

### Performance in 2020

Thanks to the progress achieved in digitalization and customer-focused transformation with the motto "Teknosa of New Generation," Teknosa maintains its healthy and continuously rising performance. Despite a difficult year shadowed by the effects of the pandemic, the 2020 turnover of Teknosa grew by 36% compared to the previous year to TL 5.6 billion. Teknosa's net income rose to TL 85.3 million from a loss of TL 148.6 million - achieving an increase of TL 234 million.

Teknosa's online channel, teknosa.com also had a very successful year by making a difference in service quality. In the second quarter of the year, when the stores were closed for 2 months due to the pandemic, record growth of 580% was achieved in online sales. Teknosa's online revenues grew 3.6-fold annually to exceed TL 1 billion. An increase of 40% was achieved in terms of the number of visitors. As a result, the share of online sales in retail sales reached 19%.

Offering services through 211 stores in 68 cities in addition to teknosa.com and mobile platforms, Teknosa is the most widespread technology retail company in Turkey. The Company welcomed nearly 175 million visitors in its stores and teknosa.com throughout the year.

As of 2020, Carrefoursa boasts a network with 525 thousand m<sup>2</sup> total net sales area consisting of 30 Hypermarkets, 389 Supermarkets, 28 Gourmets and 228 Mini and 24 franchise markets and recorded a turnover of TL 7.9 billion.

Online sales share  
**19%**

**Teknosa increased its revenues by 36 percent compared to the previous year and reached TL 5.6 billion. Its online revenues grew 3.6-fold annually to exceed TL 1 billion.**



Carrefoursa has a market share of 4.52% (Modern Trade FMCG market share) and a turnover per square meter of TL 15.5 thousand, with an increase of 21.1%. Closing the year with a total of TL 183 million in investments, Carrefoursa has become a brand that provides 500 thousand people on a daily basis with products and services with its customer-oriented approach and 170 million customers have shopped from its stores in total. Currently, Carrefoursa has 11,032 employees. Sabancı Holding share at Carrefoursa is 57.12%.

### Women-Focused Support Projects

#### Technology for Women Project

Since 2007, Teknosa has provided digital literacy training to more than 20 thousand women as part of the "Technology for Women" project. In 2020, courses were moved to the online platform due to the pandemic and more than 2,500 women across Turkey participated the education program.

As a signatory of the Women's Empowerment Principles (WEPs), a joint initiative of UN Global Compact and UN Women, since 2018, Teknosa has committed to seven principles for establishing corporate policies to promote gender equality and become the first technology retailer from Turkey to have taken part in this platform.

### Empowered Women with Carrefoursa

Carrefoursa demonstrated the importance it attaches to gender equality on a global scale by becoming a signatory of the Women's Empowerment Principles (WEPs), an initiative of the United Nations Entity for Gender Equality and the Empowerment of Women (UN WOMEN) and the UN Global Compact. As of today, there are only 9 food retailers in the world, including Carrefour who are signatories of the WEPs Platform.

### Environmentally-Friendly Actions

Teknosa continued to work towards the efficient use of natural resources, energy efficiency, waste management, and waste recycling in 2020. Teknosa undertook the following efforts for energy efficiency:

With the automation system installed in 56 stores that does not allow manual intervention, around 15% (1.73 million kW on an annual basis) of energy has been saved.

With the use of LED lighting in the Gebze logistics center and 114 stores, 4.3 million kW of energy has been saved annually. LED lighting was placed in new and renovated stores.

In an attempt to reduce CO<sub>2</sub> emissions, 71% of the vehicles in the rental vehicle pool have been converted to hybrid vehicles.

Disclosing reports on climate change and water for the first time within the scope of the Carbon Disclosure Project (CDP) in 2020, Carrefoursa proved its awareness and commitment to this issue. Carrefoursa supplied 550 tons of products to the "Support Market" established within the scope of collaboration with TİDER. The products supplied reached 22 thousand people. Efforts are underway to obtain the "Basic Level Zero Waste" certificate within the scope of the "Zero Waste" initiative of the Ministry of Environment and Urban Planning. By the end of 2020, a certificate has been obtained for 69 stores.

### 2021 Priorities and Industry Strategy

Teknosa will focus on providing its customers with a comprehensive and end-to-end experience to meet their increasing technology needs due to the acceleration of digitalization. In this context Teknosa's priorities are to improve the e-commerce

channels, develop new applications where online and physical experiences are blended, offer innovative products and services in line with the expectations of customers and to evaluate alternative channels and business models in the coming period. Teknosa plans to use data analytics effectively and increase the value it creates for its stakeholders by investing human resources and technology.

With the New Generation Market vision, Carrefoursa aims to continue digitalization and provide customers with more access to the online market through all digital channels. Carrefoursa also aims to meet the shopping needs of its customers with new generation services, open 100 new markets in one year with franchising method, maintain its support to the domestic producers and to provide consumers with the right product at the right price.

**Carrefour** 

#### Area of activity

Food and non-food retailing

#### Countries of activity

Turkey

#### Number of provinces

52

#### Number of Stores

699 (30 Hypermarkets, 389 Supermarkets, 28 Gourmets and 228 Mini and 24 franchise market)

#### Digital sales channels

carrefoursa.com and mobile application (iOS and Android)

#### Annual number of customers

138 million

#### Sales area

525 thousand m<sup>2</sup>

#### Number of employees

11,032

#### Number of loyalty cards

4.1 million+

#### Sabancı Holding share

57.12%

#### Website

www.carrefoursa.com

According to data as of 31.12.2020.

**TEKNOSA**

#### Area of activity

Technology retailing

#### Countries of activity

Turkey

#### Number of provinces

68

#### Number of Stores

211 stores (including 23 Carrefoursa sales points)

#### Digital sales channels

teknosa.com and mobile application (iOS and Android)

#### Number of visitors

175 million

#### Sales area

97 thousand m<sup>2</sup>

#### Number of employees

2,337

#### Customer data

17.5 million

#### Sabancı Holding share

50.00%

#### Website

www.teknosa.com

According to data as of 31.12.2020.